

CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BUREAU
CORPORATION FILE

ANNUAL STATEMENT

Montgomery Ward & Co., Inc.

1919



BOARDS

8658.27
M2152

BALANCE SHEET—D

ASSETS

REAL ESTATE, BUILDINGS AND EQUIPMENT:

CURRENT AND WORKING ASSETS:

Cash	\$12,192,510.98
Liberty Bonds	1,728,638.25
Accounts Receivable	4,431,561.94
Notes Receivable	153,262.22
Investments	339,520.92
Inventories of Merchandise, Supplies, etc.—	
Mercantile	\$24,721,155.86
Factories	3,415,010.18
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	28,136,166.04
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REVENUE FROM SUBSCRIBERS TO COMMON STOCK	\$46,981,660.35
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	10,200,000.00*
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	57,181,660.35

* This amount was received by the Company in cash on February 2, 1920.

CONDENSED STATEMENT OF EARNINGS FOR YEAR 1919

Sales		\$99,336,053.01
Net Profits after charging all administrative and operating expenses, including depreciation		\$ 5,094,170.21
Less: Dividends on Preferred Stock paid and accrued for year		541,793.51
Net Profits after deducting Preferred Dividends		\$ 4,552,376.70
Reserved for 1919 Federal Taxes		900,000.00
Net Profits Remaining		\$ 3,652,376.70

Of the above Net Profit of \$5,094,170.21 there was earned in the period from December 3, 1919 to December 31, 1919 by the New Illinois Corporation the sum of \$1,490,117.88.

DECEMBER 31st, 1919

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$ 9,425,380.08
Notes Payable	3,773,400.00
Accrued Taxes—General	195,948.00
Common Stock Dividend—New York Corporation	1,500,000.00
	<u>\$14,894,728.08</u>

RESERVE FOR REAL ESTATE, BUILDINGS, ETC.

CAPITAL STOCK AND SURPLUS:

Preferred Stock 7% Cumulative—	
Authorized	<u>\$10,000,000.00</u>
Outstanding	\$ 8,000,000.00
Class "A" Stock \$7 per share Cumulative, 205,000 shares of no par value }	8,186,396.02
Class "B" Stock, 95,000 shares of no par value }	
Common Stock of no par value— Authorized 1,000,000 shares }	25,500,000.00
Issued 850,000 shares }	

SURPLUS:

As at December 31, 1918	\$13,068,404.17
Less: Common Stock Dividend Declared February 1919 and Paid	\$ 1,500,000.00
1918 Federal Taxes Paid and Accrued	<u>2,277,848.83</u>
	<u>3,777,848.83</u>
Net Profits for 1919 after Preferred Stock Dividend Paid	\$ 9,290,555.34
	<u>4,552,376.70</u>
	<u>\$13,842,932.04</u>
Less: Dividend on the Common Stock of the New York Corporation Declared and Payable January 2, 1920	1,500,000.00
	<u>12,342,932.04</u>
Made up of—	
Reserved for 1919 Federal Taxes	\$ 900,000.00
Remainder	<u>11,442,932.04</u>
	<u>\$12,342,932.04</u>
	<u>54,029,328.06</u>
	<u>\$70,685,964.02</u>

TO THE PRESIDENT, BOARD OF DIRECTORS AND STOCKHOLDERS OF MONTGOMERY WARD & COMPANY, INC.:

We have audited the accounts and records of Montgomery Ward & Company, Inc., Illinois Corporation, and of its predecessor, the New York Corporation, covering the year ending December 31, 1919 and submit Condensed Statement of Earnings for the year and Balance Sheet as at December 31, 1919.

The year's profits after providing for depreciation on buildings and equipment and for bad and doubtful accounts, but before providing for the 1919 Federal Taxes, amount to \$5,094,170.21, and after deducting the dividend on Preferred Stock for the year, amount to \$4,552,376.70. The Charter requirements for the protection of the Preferred Stock commence in the calendar year 1920. Inventories have been taken at cost or under. In our opinion the above Balance Sheet correctly sets forth the financial position of the Company as at December 31, 1919.

ARTHUR YOUNG & CO.,

Chicago, Illinois—February 2, 1920.

Certified Public Accountants.

